



0000151790

## BEFORE THE ARIZONA CORPORATION

COMMISSIONERS

BOB STUMP - CHAIRMAN  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

Arizona Corporation Commission  
**DOCKETED** RECEIVED  
AZ CORP COMMISSION  
DOCKET CONTROL

MAR 14 2014 2014 MAR 14 PM 3 33

DOCKETED BY

ORIGINAL

IN THE MATTER OF THE APPLICATION OF  
COPPER VALLEY TELEPHONE, INC., AN  
ARIZONA CORPORATION, FOR A  
HEARING TO DETERMINE THE EARNINGS  
OF THE COMPANY, THE FAIR VALUE OF  
THE COMPANY FOR RATEMAKING  
PURPOSES, AND TO INCREASE  
RESIDENTIAL RATES AS NECESSARY TO  
COMPENSATE FOR THE RATE IMPACTS  
OF THE FCC'S USF/ICC  
TRANSFORMATION ORDER.

DOCKET NO. T-02727A-13-0458

**STAFF'S REQUEST FOR A SUSPENSION  
OF THE PROCEDURAL SCHEDULE**

The Utilities Division Staff ("Staff") of the Arizona Corporation Commission ("Commission") respectfully requests an extension of time to file its Staff Report and a temporary suspension of the procedural schedule in this matter. Copper Valley Telephone, Inc. ("Copper Valley") filed an Application on December 19, 2013, to increase its residential rates as necessary to compensate for the rate impacts of the Federal Communications Commission's ("FCC") November 18, 2011 Comprehensive Universal Service and Inter-carrier Compensation Reform Order ("Transformation Order"). The FCC's Transformation Order established local residential rate floors of \$10.00 as of June 1, 2012; and \$14.00 as of June 1, 2013, with the floor thereafter being determined annually by the FCC's Wireline Competition Bureau, based on a nationwide average. If a carrier's rates are not equal to or higher than the rate floor, the carrier's federal high-cost loop support will be reduced by the amount their flat-rate residential local service rates fall below the floor.

Because the Wireline Competition Bureau has not yet determined the rate floor for June 1, 2014, Copper Valley's Application asks that the Commission set the rate floor for June 1, 2014 at the lower of \$19.00 or the actual rate floor set by the FCC. Because of recent developments at the federal level, it is uncertain when the new rate floor will be set and what the effective date of that rate floor will be.

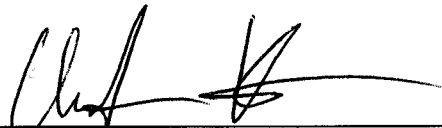
1 On March 11, 2014, the Eastern Rural Telecom Association ("ERTA"); the Independent  
2 Telephone & Telecommunications Alliance ("ITTA"); NTCA – The Rural Broadband Association  
3 ("NTCA"); the National Exchange Carrier Association ("NECA"); the United States Telecom  
4 Association ("USTelecom"); and WTA – Advocates for Rural Broadband ("WTA") (collectively  
5 "the Associations") filed a request with the FCC asking that the effective date for the as yet  
6 unannounced 2014 local service floor be extended from July 1, 2014 to January 2, 2015. The FCC is  
7 likely to seek comment on the Associations' request before it makes any determination on the rate  
8 floor and whether to extend the date for compliance.

9 Because of these recent developments, Staff does not believe that it would be productive to  
10 proceed with this Application at this time. Staff requests a temporary suspension of the procedural  
11 schedule until the FCC both sets the local service rate floor and gives guidance to carriers and states  
12 on how to proceed; or the FCC rules on the Associations' request for an extension of time.

13 Staff suggests that the Commission still proceed with public comment on the original hearing  
14 dates so members of the public would not be adversely affected.

15 WHEREFORE, the Utilities Division Staff respectfully requests a temporary suspension of  
16 the procedural schedule in this matter until the FCC both sets the local service rate floor and gives  
17 guidance to carriers and states on how to proceed; or the FCC rules on the Associations' request for  
18 an extension of time.

19 RESPECTFULLY SUBMITTED this 14<sup>th</sup> day of March, 2014.

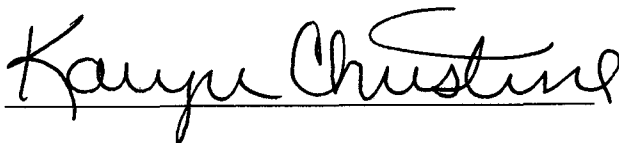
20  
21   
22 Charles Hains, Attorney  
23 Maureen A. Scott, Senior Staff Attorney  
24 Legal Division  
25 Arizona Corporation Commission  
26 1200 West Washington Street  
27 Phoenix, Arizona 85007  
28 (602) 542-3402

1 Original and thirteen (13) copies  
2 of the foregoing filed this  
14<sup>th</sup> day of March 2014 with:

3 Docket Control  
4 Arizona Corporation Commission  
1200 West Washington Street  
5 Phoenix, Arizona 85007

6 Copy of the foregoing emailed/mailed  
this 14<sup>th</sup> day of March 2014 to:

7 Craig A. Marks  
8 Craig A. Marks, PLC  
10645 North Tatum Boulevard  
9 Suite 200-676  
Phoenix, Arizona 85028  
10 Craig.Marks@azbar.org  
Attorney for Copper Valley Telephone  
11 Company, Inc.

12   
13